



Office of External Affairs

MEDICARE FACT SHEET

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MEDICARE TAKES STEPS TO HELP PEOPLE WITH LIMITED INCOMES AND RESOURCES TAKE ADVANTAGE OF COMPREHENSIVE MEDICARE DRUG COVERAGE

Everyone in Medicare now has access to prescription drug coverage, regardless of their income or how they get their Medicare. For those with limited incomes, there is extra help providing comprehensive coverage with no or low premiums and low or no deductible.

To ensure that beneficiaries receive the benefit of the extra help, CMS is facilitating the enrollment of certain beneficiaries into prescription drug plans. This week, CMS will begin mailing letters to approximately 1.2 million people with Medicare who have applied for and been approved for the extra help and those who are enrolled in other federal assistance programs such as Supplemental Security Income (SSI) and Medicare Savings Programs.

The letters let the beneficiary know in which Medicare prescription drug plan they will be enrolled if they take no action before April 30. Unless they enroll on their own during March, these beneficiaries will have their prescription drug coverage begin on May 1. CMS is enrolling these beneficiaries earlier to make sure that they receive the benefit of the extra help immediately, and without having to pay a penalty. These beneficiaries can still decline the enrollment before it becomes effective, and would not be charged a premium.

A copy of the letter will be available online at www.cms.hhs.gov. The letter will be printed on green paper so that it can be readily identified by beneficiaries, their family members, and other organizations that counsel beneficiaries about their Medicare Choices.

Many of these individuals will not be charged a premium for this drug coverage. However, some of these individuals qualify for sliding-scale premium assistance. But if those beneficiaries don't enroll in a plan by May 15, 2006, and don't have prescription drug coverage that is as good as Medicare's, they will have to pay more for this coverage if they want to enroll later.

Beneficiaries whose employer or union plan sponsor is claiming the retiree drug subsidy on their behalf will not be included in this facilitated enrollment process. However, it is possible that a beneficiary with other drug coverage that is as good as or better than Medicare prescription drug coverage will still be enrolled by CMS because he or she qualifies for extra help. These beneficiaries may want to keep their current coverage and decline enrollment from Medicare.

These beneficiaries should read the letter they received from their employer or union (or the plan that administers their drug coverage), because employers and unions can work with Medicare prescription drug coverage in different ways. If they have questions, they should call their plan or benefits administrator or the office that answers questions about their benefits. They may want to keep their current coverage and decline enrollment from Medicare by calling 1-800-MEDICARE.

CMS also worked with State Pharmacy Assistance Programs in New York, New Jersey, Connecticut, Pennsylvania, and Illinois to make sure that any of their members that the State plans to enroll in a Medicare Prescription Drug Plan are not also facilitated enrolled by CMS.

All of the plans that qualify for the automatic enrollment must meet Medicare's standards for access to medically necessary drugs at a convenient local pharmacy. Beneficiaries also have the option to change plans if they are unhappy with the plan into which CMS facilitated them. The letters will also help ensure that these beneficiaries are aware that they can choose a different approved plan in their area, and that they can call 1-800-MEDICARE to find out more about these plans.

The letters make it clear to beneficiaries that they can choose a different approved plan in their area. The green facilitated enrollment letter will list all the prescription drug plans available in their region with premiums at or below the low-income premium subsidy amount. It also recommends calling 1-800-MEDICARE to find out more about these plans.

Beneficiaries can get personalized information about their prescription drug plan options. 1-800-MEDICARE is available at anytime with little or no waiting. People can also go to www.medicare.gov, or get face-to-face help from one of the many partner organizations, such as the State Health Insurance Programs or attend one of the many enrollment events being held around the country to get additional information about their drug coverage options.

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